



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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19 MARCH 1966

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DAILY BRIEF
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1. South Vietnam

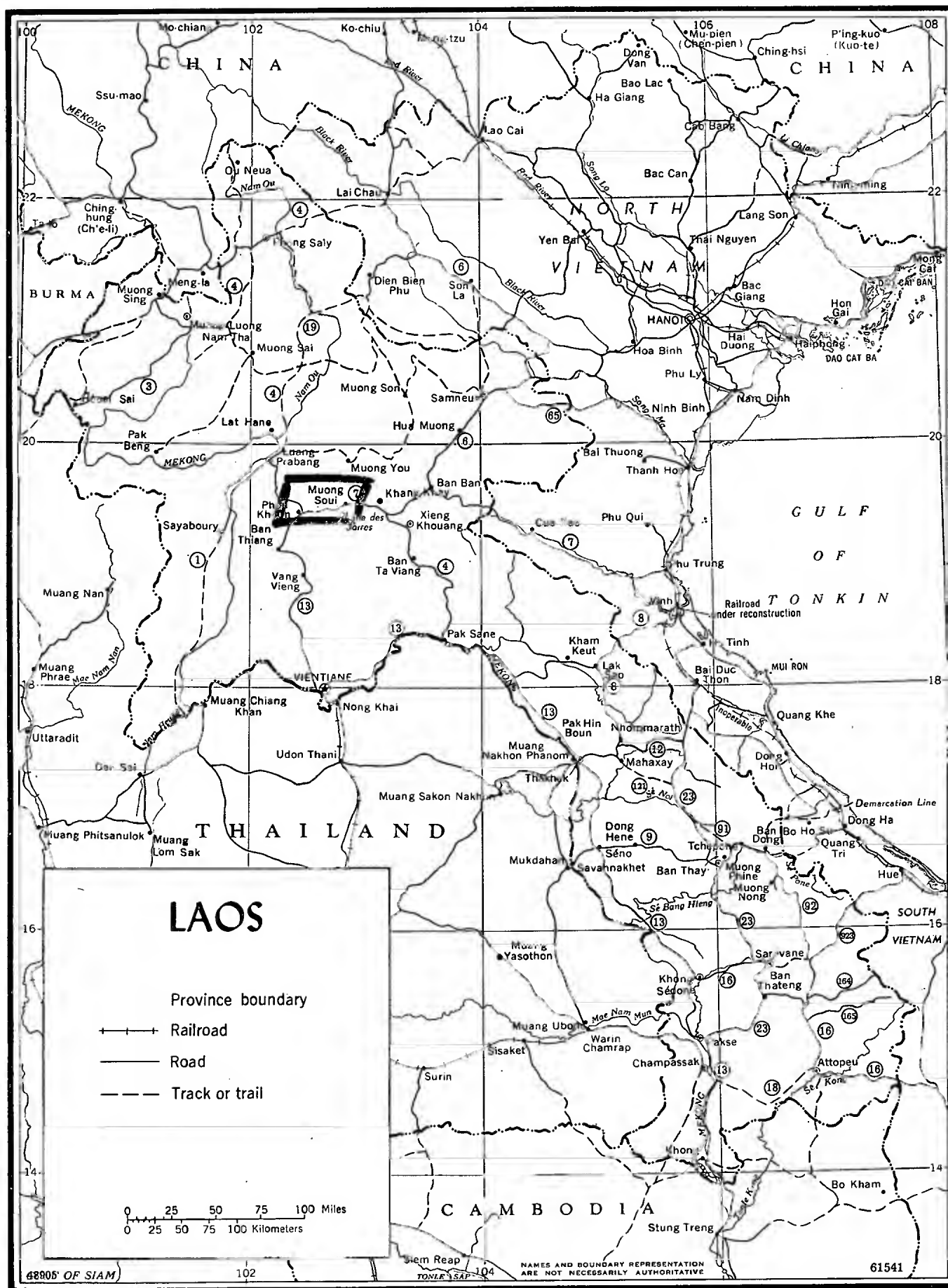
Premier Ky is spending the weekend out of Saigon, probably to emphasize his refusal to negotiate further with the Buddhists under duress.

Buddhist leaders, however, seem still unconvinced that Ky means to stick by his guns. Tonight, Saigon time, there was a large, apparently peaceful, rally in Saigon during which Buddhist leaders reiterated their demands.

For his part, General Chieu, Directorate Secretary General, is concerned over the rising frictions with the Buddhists. He fears that "some" members of the Directorate have been talking with unnecessary toughness and that they should rather be doing all they can to head off a clear-cut confrontation.

Noting the possibility of a Communist provocation in Saigon now, Chieu pointed out that it would "take only one shot for madness to follow."

In the northern provinces, General Thi continues to receive public homage at various gatherings. The school boycott continues in the two principal cities and there were two orderly demonstrations today in Da Nang, but otherwise conditions are normal.



2. Indonesia

The army seems to be tidying up its administrative apparatus for running the country after its virtual assumption of power yesterday.

Suharto today will demand that Sukarno-- now at his Bogor palace--either publicly approve the army's actions or immediately leave the country.

Suharto's actual words may not be so savage. Ambassador Green notes that an aura of unreality surrounds Sukarno and his entourage. One American source observed Sukarno and Suharto in apparent convivial camaraderie immediately after one "confrontation," while another saw the President spend all of Thursday morning in chit-chat and palace antics.

The ambassador feels this behavior may reflect Sukarno's isolation from the people, his exaggerated self-confidence, his Javanese way of reacting to pressure--but most of all his showman's determination to go on with the act even when the audience is sitting on its hands.

3. Laos

The Communists in northern Laos, having overrun two important bases within a month, appear now to be moving on Muong Soui, the last major government stronghold in the area. We believe that if the Communists are prepared to accept fairly heavy losses, they can take Muong Soui and move on to the important junction of routes 7 and 13.

4. Soviet Union

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5. Belgium

The Catholic-Liberal government expected next week may take a somewhat different stance on foreign affairs.

Economy-minded, it will probably be more responsive to public restiveness over the cost of fulfilling Belgium's NATO obligations, and less willing to assume its share of the Congo aid burden. The new foreign minister--presumably Pierre Harmel--is unlikely to speak out in support of US Vietnam policy as did Spaak, or to work as hard to keep the lid on pressures to recognize Communist China.

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6. Nationalist China

Frustration arising from recent military setbacks, and the specter of further Communist military operations, has Taipei restless. 50X1

Defense Minister Chiang Ching-kuo has recently told US officials that he is on to a Communist plan to invade Taiwan. He may genuinely fear this, although we doubt he has any hard information. He may also be winding up to ask us for air defense equipment and newer jet interceptors.

7. Ethiopia

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Haile Selassie is about to announce some liberalizing changes in the government structure. Specifically, [redacted] 50X1
he is ready to give the prime minister some real authority, and allow him to select his own cabinet.

8. Rhodesia

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enough oil now is getting into Rhodesia to meet daily consumption and maintain current reserve supplies indefinitely. 50X1

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